

NEW YORK HERALD

PUBLISHED BY THE SUN-HERALD CORPORATION, 230 BROADWAY, TELEPHONE, WORTH 10,000.

Directors and officers: Frank A. Munsey, President; Edwin W. Wardman, Vice-President; J. B. Lewis, Treasurer; R. M. Thayer, Secretary.

MAIL SUBSCRIPTION RATES: One Year, \$10.00; Six Months, \$6.00; Three Months, \$3.50.

PRINTING OFFICES: 230 Broadway, New York, N. Y. Telephone, WORTH 10,000.

ADVERTISING OFFICES: 230 Broadway, New York, N. Y. Telephone, WORTH 10,000.

TELEPHONE: WORTH 10,000.

MONDAY, NOVEMBER 8, 1920.

The Government Must Lighten Taxes Which the Public Pays Over and Over Again.

Taxes that are vicious in principle, taxes that are excessive in exactions, taxes that are a threefold burden on the public, they subtract from the fund out of which the public has to pay its bills and make both ends meet.

The unsound and oppressive taxes diminish supply of both necessities and luxuries by diverting large capital from the productive fields of industry and business to the wasteful uses of Government squander.

If the court house contracts were fair contracts they should not have been cancelled. If they were unfair contracts the city should never have signed them.

Furthermore, the unsound and oppressive taxes, diverting large capital to wasteful uses and thus diminishing the available money supply necessary to the conduct of legitimate industry and business, intensify the borrowers' scramble for the diminished supply of loanable funds.

As for the taxes themselves, in their direct application they will always be magnified and multiplied wherever they are levied on industry and business. The original producer, say the manufacturer, that is taxed promptly puts the amount of the tax with something to spare into his selling price.

The wholesaler, getting his goods from the jobber, pays both the manufacturer's and the jobber's taxes, which have been passed along to him, but he puts them into his selling price.

The retailer, getting his goods from the wholesaler, pays the manufacturer's tax, the jobber's tax and the wholesaler's tax, which have been passed along to him, but he puts them into his selling price.

Then all these taxes which have been rolled up like a snowball come down upon the ultimate consumer getting from the retailer his goods taxed up with the magnified and multiplied taxes all in one bundle.

If a spendthrift Government collects in uncounted taxes an unnecessary billion of dollars to put to wasteful uses it may easily cost the public five billions of dollars.

But the Republican administrative

and legislative authorities which have just been commissioned at the national polls to conduct the business affairs of the United States Government from March 4, 1921, must, upon taking full charge, put an end to such business mismanagement, financial failure and tax burden.

Why Didn't the City's Experts Detect the Building Grafters?

The Lockwood committee will expose the building swindlers and grafters. The Grand Jury will indict anybody who has been guilty of a criminal offense. The State will see that the accused persons are prosecuted by capable, disinterested public officers.

It has already been shown that New York city is to pay hundreds of thousands of dollars more than a fair price for the new court house. SAM USTERMEYER, counsel for the Lockwood committee, declares the city is paying more than fair prices for school houses and other structures now being built.

The taxpayers of New York city annually vast sums in salaries to expert engineers and builders, masons, carpenters, auditors and investigators. The Mayor has a Commissioner of Accounts to inquire into anything which interests him.

Yet this elaborate and expensive machinery for acquiring exact information concerning fair prices of building material and fair wages for artisans, and fair profits for architects and contractors apparently has not prevented the city from signing building contracts that are wasteful and extortionate.

If the court house contracts were fair contracts they should not have been cancelled. If they were unfair contracts the city should never have signed them.

Furthermore, the unsound and oppressive taxes, diverting large capital to wasteful uses and thus diminishing the available money supply necessary to the conduct of legitimate industry and business, intensify the borrowers' scramble for the diminished supply of loanable funds.

As for the taxes themselves, in their direct application they will always be magnified and multiplied wherever they are levied on industry and business. The original producer, say the manufacturer, that is taxed promptly puts the amount of the tax with something to spare into his selling price.

The wholesaler, getting his goods from the jobber, pays both the manufacturer's and the jobber's taxes, which have been passed along to him, but he puts them into his selling price.

The retailer, getting his goods from the wholesaler, pays the manufacturer's tax, the jobber's tax and the wholesaler's tax, which have been passed along to him, but he puts them into his selling price.

Then all these taxes which have been rolled up like a snowball come down upon the ultimate consumer getting from the retailer his goods taxed up with the magnified and multiplied taxes all in one bundle.

If a spendthrift Government collects in uncounted taxes an unnecessary billion of dollars to put to wasteful uses it may easily cost the public five billions of dollars.

But the Republican administrative

of \$70,000,000,000 and \$20,000,000,000. Distributed equally among the people these incomes would give approximately the following result:

U. S. U. K. National Income.....\$70 bil. \$20 bil. Population.....105 mil. 47 mil. Per capita share.....\$666 \$425

All of it divided equally, with each American from ROCKEFELLER to the beggar in the street receiving only an annual stipend of \$666 on which to live, and each Englishman from the King to the poorest beggar on the Strand receiving only \$425, would leave nobody with a fat purse.

Equal distribution of inadequate production and consequently inadequate national income cannot solve the problem. As the printing of more and more paper money to pay higher and higher wages and sustain higher and higher prices does nothing to mitigate the shortage of necessities, neither does dividing wealth cause it to multiply.

It has already been shown that New York city is to pay hundreds of thousands of dollars more than a fair price for the new court house. SAM USTERMEYER, counsel for the Lockwood committee, declares the city is paying more than fair prices for school houses and other structures now being built.

The taxpayers of New York city annually vast sums in salaries to expert engineers and builders, masons, carpenters, auditors and investigators. The Mayor has a Commissioner of Accounts to inquire into anything which interests him.

Yet this elaborate and expensive machinery for acquiring exact information concerning fair prices of building material and fair wages for artisans, and fair profits for architects and contractors apparently has not prevented the city from signing building contracts that are wasteful and extortionate.

If the court house contracts were fair contracts they should not have been cancelled. If they were unfair contracts the city should never have signed them.

Furthermore, the unsound and oppressive taxes, diverting large capital to wasteful uses and thus diminishing the available money supply necessary to the conduct of legitimate industry and business, intensify the borrowers' scramble for the diminished supply of loanable funds.

As for the taxes themselves, in their direct application they will always be magnified and multiplied wherever they are levied on industry and business. The original producer, say the manufacturer, that is taxed promptly puts the amount of the tax with something to spare into his selling price.

The wholesaler, getting his goods from the jobber, pays both the manufacturer's and the jobber's taxes, which have been passed along to him, but he puts them into his selling price.

The retailer, getting his goods from the wholesaler, pays the manufacturer's tax, the jobber's tax and the wholesaler's tax, which have been passed along to him, but he puts them into his selling price.

Then all these taxes which have been rolled up like a snowball come down upon the ultimate consumer getting from the retailer his goods taxed up with the magnified and multiplied taxes all in one bundle.

If a spendthrift Government collects in uncounted taxes an unnecessary billion of dollars to put to wasteful uses it may easily cost the public five billions of dollars.

considerable indignation against the government on the part of the friends of Belgium and France and a demand by the opposition for the "particulars of the good relations between Holland and the allied countries, which are considered to be at stake."

All of it divided equally, with each American from ROCKEFELLER to the beggar in the street receiving only an annual stipend of \$666 on which to live, and each Englishman from the King to the poorest beggar on the Strand receiving only \$425, would leave nobody with a fat purse.

Equal distribution of inadequate production and consequently inadequate national income cannot solve the problem. As the printing of more and more paper money to pay higher and higher wages and sustain higher and higher prices does nothing to mitigate the shortage of necessities, neither does dividing wealth cause it to multiply.

It has already been shown that New York city is to pay hundreds of thousands of dollars more than a fair price for the new court house. SAM USTERMEYER, counsel for the Lockwood committee, declares the city is paying more than fair prices for school houses and other structures now being built.

The taxpayers of New York city annually vast sums in salaries to expert engineers and builders, masons, carpenters, auditors and investigators. The Mayor has a Commissioner of Accounts to inquire into anything which interests him.

Yet this elaborate and expensive machinery for acquiring exact information concerning fair prices of building material and fair wages for artisans, and fair profits for architects and contractors apparently has not prevented the city from signing building contracts that are wasteful and extortionate.

If the court house contracts were fair contracts they should not have been cancelled. If they were unfair contracts the city should never have signed them.

Furthermore, the unsound and oppressive taxes, diverting large capital to wasteful uses and thus diminishing the available money supply necessary to the conduct of legitimate industry and business, intensify the borrowers' scramble for the diminished supply of loanable funds.

As for the taxes themselves, in their direct application they will always be magnified and multiplied wherever they are levied on industry and business. The original producer, say the manufacturer, that is taxed promptly puts the amount of the tax with something to spare into his selling price.

The wholesaler, getting his goods from the jobber, pays both the manufacturer's and the jobber's taxes, which have been passed along to him, but he puts them into his selling price.

The retailer, getting his goods from the wholesaler, pays the manufacturer's tax, the jobber's tax and the wholesaler's tax, which have been passed along to him, but he puts them into his selling price.

Then all these taxes which have been rolled up like a snowball come down upon the ultimate consumer getting from the retailer his goods taxed up with the magnified and multiplied taxes all in one bundle.

If a spendthrift Government collects in uncounted taxes an unnecessary billion of dollars to put to wasteful uses it may easily cost the public five billions of dollars.

But the Republican administrative

THE SUPREME COURT ON PROHIBITION.

Mr. Justice Clarke's Opinion Regarded as of Great Importance.

To THE NEW YORK HERALD: That the United States Supreme Court was not unanimous in its decision on the constitutionality of the Eighteenth Amendment and the Volstead act, despite popular belief to the contrary, is borne out by the dissenting opinion of Justice Clarke, which was only made public on October 20 last, nearly five months after the court disposed of the cases.

Justice Clarke vigorously protests the decision of the court in approving as "valid a definition of liquor as intoxicating which is expressly admitted not to be intoxicating in each of the cases in which it is considered." He says:

This is deemed warranted, I suppose, as legislation appropriate to the enforcement of the first section, and precedent is found for it in prohibition legislation by States. But I cannot agree that the scope of the first section is limited to the prohibition of the manufacture, sale and distribution of intoxicating liquors in the first section of the Eighteenth Amendment.

It does not require the eye of a seer to see contentions at the bar of the court as to the definition of the word "intoxicating" and the definition of intoxicating liquors as strenuous and determined as that which we have witnessed under the strict definition of the Volstead act.

The Justice declared that the court in its decision had read out the word "concurrent" from the prohibition amendment, and had deprived the States of their power to pass concurrent legislation or to disapprove.

He pointed out that this would have had little effect on the operation of that law, but that it would have made it possible for State officials to join in enforcing the Federal Government's "volstead" from the Federal Government, of enforcing a law "which must cut the daily life of the people very intimately and often very irritatingly."

LOUIS J. TURNER. New York, November 6.

A WISH FOR AN OCTOPUS.

Would That Coal Were Handled as Oil Is, Cries the Wisher.

To THE NEW YORK HERALD: Very often these days, as I sit shivering at the telephone, framing a new plea to my coal dealer, I wish that he had thrown the mines, as well as the oil regions, into the hands of real big business.

Gasoline and kerosene are harder to take from the earth and prepare for our use than coal is. But we can always get them, while we cannot get coal. In every town, at every crossroads, there is a place where you can buy all the gasoline you want; but I have shopped all over, and in vain, for coal.

If it had happened that the coal mines had been taken up by the Rockefeller or some other live men like them, conditions would not be what they are. The Standard Oil Company, or whatever the name of the octopus might be, would be a coal dealer, and its competitors are serving oil products. We should have a coal railroad running from the mines to the East. We should see an endless line of oil cars serving a purpose similar to that of the pipe line.

Yes, says the yelper, but think of the wealth that such a company would have made! I do think of it, and it is quite irrelevant. The oil barons made their millions, may be billions, but you can buy gasoline and kerosene at prices proportionately lower than the average commodity, while you are paying from 200 to 300 per cent. more for coal than you paid before the war.

MONTECLAIR, N. J., November 6.

WHAT SAVINGS BANKS ARE.

An Answer to Recent Criticisms of Their Methods.

To THE NEW YORK HERALD: Much attention has lately been called to the mutual savings banks of New York State. Upon the ground that correct information should be had by those who criticize mutual savings banks I ask space for the following statement of facts concerning these institutions:

First, the mutual savings banks of New York are an outcome of a semi-charitable plan whereby savers of small sums can place them on deposit and eventually receive a fair interest from investments made by the savings banks. The trustees serve without pay unless they perform particular work, when they are treated the same as any officer or clerk of a bank. They meet monthly, oversee the affairs of the savings banks. A committee of the trustees examines the banks several times a year.

There are no stockholders in the savings banks and consequently no stock, the banks being conducted on the mutual plan of depositors.

The law prohibits any trustee from receiving any pay for his services or from obtaining any of the money of savings banks on loan, directly or indirectly. Every loan and investment of the savings bank is prescribed by the State banking law. The banks cannot legally go outside of these limitations.

Mutual savings banks are thus placed among the most conservative financial institutions of the country.

No more responsible class of men acting in a business capacity can be found than those connected as trustees with savings banks. In every emergency of the country, such as the civil war, the great world war and when other deplorable conditions arise, they have been among the foremost in financing and upholding patriotism.

If there are any institutions which should be protected against onslaughts based on ignorance they are the savings banks. No other financial institutions in the State of New York come anywhere near supplying as much money for home building as do the mutual savings banks.

If there should be found to be special cases of irregularity in the way of bonuses charged in the making of loans by any mutual savings bank in the State it is the plain duty of the Banking Department to correct them, and it has the power so to do. There is no good reason for mistrusting, on account of any instance of irregularity of this character, institutions which have done so much for the welfare of the country as the savings banks.

It is necessary for savings banks to have on hand what is called available funds, that is, sufficient amount of money to meet calls from depositors.

There are reported 141 mutual savings banks in the State; 120 pay 4 per cent.; the others from 3 1/2 per cent. to 4 1/2 per cent.

It is not good banking for a savings bank to put all of its funds in mortgages or to follow any method involving putting all its eggs in one basket. Therefore, the excellent banking laws of New York State restrict the amounts which savings banks may invest in various securities, and it is well for the business of the country that savings banks should be restricted in this way.

The following statement will show the condition of the savings banks in New York State, according to the latest published report of the Superintendent of Banks:

FESS SAYS TAX CUT IS G. O. P.'S BIG TASK

War Laws Will Be Discontinued With Formal Peace Reestablished.

HARDING VOTE ANALYZED

Republicans Succeed in Seven of Their Fifteen Attempts to Break Solid South.

WASHINGTON, Nov. 7.—Representative S. D. Fess (Ohio), chairman of the Republican Congressional Committee, and one of the Republican leaders in the House, issued to-night an analysis of the meaning of the overwhelming Harding vote and the big majority given to the Republicans in the Senate and House.

One significant thing pointed out by Mr. Fess in the analysis of the vote was the fact that the Republicans carried all the States of the South except North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas, Arkansas, Missouri, Kentucky, Tennessee, Maryland, Kentucky, Tennessee and Missouri, of which Senator Harding carried all but Kentucky, and narrowly missed the State of Tennessee.

These invasions of the South were merely tests, Mr. Fess said, to ascertain the feasibility of attempting to break the "Solid South."

He also demonstrated the possibility of disintegrating a minority rule in the Southland, which would not only be a valued result to the nation, but a step toward the South as well, Mr. Fess said.

Few Democrats Win in North. Mr. Fess pointed out that in the territory north of the Ohio and west of the Mississippi, except only in Texas, the Democrats elected fewer than a score of House members and not a single Senator.

"They had only two members on the Pacific coast," he pointed out, "First and Second districts of California; not a member on the Canadian border, save four in New York; only two in New England, the Tenth and Twelfth in Boston. The Republicans won solid delegations in States west of the Mississippi and in the South, except in Texas, Oklahoma and Arkansas, except in California."

For one thing, Mr. Fess said, the election spells a terrific rebuke to Wilson and Wilsonism; the Wilson efforts to keep the policy toward suffrage and progressive measures that would appeal to the women's sense of right, Mr. Fess said. In part it demonstrated the disgust of women with the Cox campaign methods.

Part of the big vote given to the Republican party was due to convictions of American business men, Mr. Fess said, "who have become properly alarmed over the fearful disintegration of American enterprise and to an official suspicion that every man who succeeds must be a scoundrel in a bunch."

Dr. and Mrs. Royal R. Copeland will be guests of the Republican National Committee at the Hotel Waldorf-Astoria, 2 P. M.

The special committee of the Board of Education will hold a hearing on the question of religious instruction in the public schools in the hall of the Board of Education, Park Avenue and Fifty-fifth street, 6 P. M.

Mr. William Mitchell Ramsay will address the clergy of the city at a conference in the hall of the Board of Education, Park Avenue and Fifty-fifth street, 2 P. M.

Daily Calendar

For eastern New York—Cloudy and unsettled to-day; fair to-morrow; no change in temperature; moderate variable winds.

For New Jersey—Cloudy and unsettled to-day; fair to-morrow; no change in temperature; moderate variable winds.

For northern New England—Cloudy and unsettled to-day; fair to-morrow; no change in temperature; moderate variable winds.

For southern New England—Cloudy and unsettled to-day; fair to-morrow; no change in temperature; moderate variable winds.

For the Pacific coast—Fair to-morrow; no change in temperature; moderate variable winds.

Observations at United States Weather Bureau stations, taken at 3 A. M. yesterday, twenty-five miles from New York:

Table with 4 columns: Station, High, Low, Bar. Last 24 hrs. Rainfall.

Barometer..... 30.3 30.5 Humidity..... 64 65 Wind-direction..... E E Wind-force..... 2 2 Weather..... Cloudy Rain Precipitation..... .04

Recorded by the official thermometer, is shown in the annexed table:

Table with 4 columns: Date, Time, Temp., Wind.

Events to-day. The Republican National Executive Committee will hold a meeting in the headquarters in the Vanderbilt Hotel, 3 P. M.

Mr. Forbes Robertson Hale will lecture on "The New Kindness of Women" before the League of Women Voters, Park Theatre, 11 A. M.

Public lectures to-night. "Trend of the Times," by Dr. John H. Randall, Washington Irving H. S., 40 Irving place, 8 P. M.